

Before the Reformation

by
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Chapter 4 Usury and the Church of England

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Chapter 4. Before the Reformation

We can see more clearly the trends and dates in the *Church's* dealing with usury when we consider England. The problem was, how to outlaw the sin.

Some of the earliest steps taken were to control the *Jews*. They considered themselves free to lend on usury to the *Gentiles* or 'goyim' (cattle, races), and were the principal money-lenders. They were at first treated with tolerance.

In 1201, they were granted a *Charter of Liberties*. It allows them "freely and honourably to reside in our land" and to have "all their liberties and customs". Particularly, it states:

"And if there shall be a dispute between Christian and Jew touching the loan of any money, the Jew shall prove his Principal and the Christians their interest."

The great *Magna Carta* also allowed the *Jews* their position, albeit a limited one. But the essence of the charter was to prevent any class or party from exercising *Monarchy*, and it is probable that our forefathers had some idea of the monarchy that usury can introduce.

Usury was prohibited by the *Common Law of England*, of which - according to Blackstone - Alfred was the founder and Edward the Confessor the restorer. Many *Jews* had come to England in the time of William II, and they were disarmed in 1181.

After a massacre of them at Richard I's coronation in 1189, the *King* was moved to anger by the destruction of their bonds and in 1215 he raised the rates of interest from 2d. to 4d. per *Pound* per week (i.e. from 43⅓ % to 86⅔ % per annum).¹

The tenth and eleventh clauses of the charter² tried to re-establish the *Common Law* that prohibited usury.

"Section 10. If anyone hath borrowed anything from the *Jews*, more or less, and die before that debt be paid, the debt shall pay no interest so long as the heir shall be under age, of whomsoever he may hold; and if that debt shall fall into our hands, we will not take anything save the chattel contained in the bond."

"Section 11. And if anyone shall die indebted to the *Jews*, his wife shall have her dower and shall pay nothing of that debt; and if children of the deceased shall remain who are under age, necessaries shall be provided for them, according to the tenement which belonged to the deceased: and out of the residue the debt shall be paid, saving the rights of the lords (of whom the lands are held). In like manner let it be with debts owing to others than *Jews*."

These chapters were omitted from the charter of 1216, although it was promised that attention would be paid to 'debts to *the Jews* and others' when a full council was held.

Section 10 deprived *Jews* of part of their interest and Section 11 deprived them of part of their security - a third at least. The *Statute of Jewry*

"...limited a creditor's rights of execution to one moiety of his debtor's lands and chattels...[and] ...made interest irrecoverable by legal process,"

while the *Statute of Merton* in 1234

"...confirmed the provision that no interest should run during minorities."

Charters and statutes strengthened the *Common Law* against usury although, as far as is known, it had not been mentioned specifically in the charter of William II, or in that of Henry I, in either of those of Stephen, or in that of Henry II. But these charters were all directed against exaction and confirmed the laws of Edward the Confessor (i.e. the *Common Law*).

Henry III's Charter of 1225 was the fourth and final edition of *Magna Carta*, and Blackstone calls it the first *lex scripta* (statute law), which MacKechnie regards as placed on the *Statute Book* by Edward I. Edward III made the prohibition of usury a *Statute*.

The *Jews*, whose exchequer existed as early as 1198 and with whom:

"...no contract was binding unless a written contract or chirograph had been obtained."

¹ W.S. MacKechnie in *Magna Carta*.

² Barrington's translation.

were intimately concerned in laws that did not favour debtors. However the position of the *Jews* deteriorated, doubtless owing to their usurious practices as the sequel shows.

In 1253 it was decreed that ‘...every *Jew* wear on his breast a conspicuous badge’ and they were only to live ‘...where they were wont to dwell’, except by license, and were not to interfere with *Christianity*.

This may sound harsh, but anyone who has seen the traditional *Jews' Houses* in Lincoln will realize that they held some of the best accommodation then available. In the same year, a *Jew* was expelled for ‘not rendering his tallage’, and a proclamation made that ‘none of Salle's debtors hereafter render a penny to him’. This is perhaps reminiscent of fairly recent practice in Spain where the *Jews* were said to gather all the wealth and then periodically to be stripped of it.

In 1270, Jacob of Norwich was punished because ‘he dwells at Honiton without the King's license... where there is no community of *Jews*.’ But the next year a certain Aaron was granted ‘that by license of our aforesaid son he may give and sell his debts to whomsoever he will, notwithstanding the provision made of late that no *Jew* may sell his debts to any *Christians*, and that no *Christian* may buy the same without our will and license.’

In 1271 *Jews* were forbidden to have freeholds and the *Jews of London* were forbidden to purchase more houses there. Lands and tenements were to remain to the *Christians* who demised them to the *Jews* ‘so however that the *Christians* satisfy the *Jews* of the money or chattel specified in their *Charters* and *Chirographs*³, which the *Jews* gave to the *Christians* for such gift of ‘*infeudation*’ without interest.’

In 1275, the *Jews of Marlborough* were transferred to Devizes, the *Jews of Gloucester* to Bristol, those of Worcester to Hereford, those of Cambridge to Norwich, ‘with their *Chirograph Chests* and all their goods’, and this ‘without doing any damage to them in respect of their persons or their goods’.

But this treatment did not satisfy the *Jews*, and in 1290 the following ‘*Disposition of Debts* due to the *Jews* after their *Expulsion*’ was issued. It explains the end of *Jews in England* for 350 years:

“Whereas formerly in our *Parliament* at Westminster on the *quinzaine* of St. Michael in the third year of our reign⁴ to the honour of God and the profit of the people of our realm, we ordained and decreed that no *Jew* thenceforth should lend anything at usury to any *Christian* on lands, rents or other things, but that they should live by their commerce and labour;

“And the same *Jews*, afterwards maliciously deliberating among themselves, contriving a worse sort of usury which they called *courtesy* (*curialitatem*), have depressed our people aforesaid on all sides under colour thereof, the last offence doubling the first;

“Whereby, for their crimes and to the honour of the Crucified we have caused those *Jews* to go forth from our realm as traitors;

“We, wishing to swerve not from our former choice, but rather to follow it, do make totally null and void all manner of penalties and usuries and every sort thereof which could be demanded by actions by reason of the *Jewry* from any *Christians* of our realm for any times whatsoever; wishing that nothing be in any wise demanded from the *Christians* aforesaid by reason of the debts aforesaid, save only the principal sums which they received of the *Jews* aforesaid.”

The *Jews* were only readmitted into England by Oliver Cromwell, and it appears from his correspondence that the price of a loan offered him by a *Jew* was King Charles I's head.

But in spite of their expulsion, other *Usurers* took their place. The *Lombards* like the *Caorsines* were specialists in usury, which at that day was a defiance of the *Church* and the believed laws of Christ. The *Usurer* was a practical atheist.

The fourteenth century was one of glory and tragedy for England, but the *Black Death* - or rather the series of plagues - was used as an occasion to bring good out of evil. Before this, the *English Parliament* passed a law in 1341 ‘*Against Usurie*’. The *King* and his deputies were “...to have cognisance of the *Usurers* dead’. And it was further decreed that:

“...the ordinance of the *Holy Church* have cognisance of *Usurers* on life, as to them appertaineth, to make compulsion by the censures of the *Holy Church* for the sin, to make restitution of the usuries taken against the law of the *Holy Church*.”⁵

³ indented bonds.

⁴ 1275, the third year of the reign of King Edward I.

⁵ 15 Ed.iii.c.v.

Usury was both unchristian and criminal. The law was further strengthened in the next century by clearer definition, but we may note how the people reacted in these sturdy times to dishonesty, particularly in the matter of lending money. They were, in fact, guarding their high and improving standards, for the price of food was stable while the wages of labour tended to rise after the *Black Death*.

In 1353, a statute regulated the length and breadth of cloth. In 1360, the *Auncel* - a crooked weighing machine - was forbidden. In 1365 *Chevisance* - the evasion of usury by compounding - was made illegal. In the same year extravagance was suppressed. This was not *Puritanism* but a sane recognition of the loss in a population of under four million caused by the *Black Death*. Gallons, pottles and quarts were sealed by aldermen - another instance of public vigilance - and one which shows that the *Just Price* had passed from theory into practice.

The following *Petition against Usury* is dated 1376:

“Further, the commons of the land pray that whereas the horrible vice of usury is so spread abroad and used throughout the land that the virtue of charity, without which none can be saved, is well-nigh wholly perished whereby, as is well known, a great number of good men have been undone and brought to great poverty.

“Please it, to the honour of God, to establish in this present *Parliament* that the ordinance⁶ made in the *City of London* for a remedy of the same, well considered and corrected by your wise council and likewise by the bishop of the same city, be speedily put into execution, without doing favour to any, against every person, of whatsoever condition he be, who shall hereafter be attained as a *Principal* or *Receiver* or *Broker* of such false bargains.

“And that all *Mayors* and *Bailiffs* of cities and boroughs throughout the realm have the same power to punish all those who shall be attained of this falsity within their bailiwicks according to the form of the articles comprehended in the same ordinance.”

The *Answer* given was:

“Let the law of old used run herein.”

By the end of the century the *Lombards* were established as the *Jews'* successors. In 1392 the *Londoners* beat a *Lombard* who offered a loan to the *King*.

Langland warned *Richard the Redeless* against ‘wyles and wrong, and waste in your tyme’. In *Piers the Plowman* he makes what is probably the first reference to international finance:

“And with Lombardes lettres, I ladde gold to Rome
And took it by taille here, and told him the lasse.”

Although one country after another expelled the *Jews* and their usury, the *Lombards* came forward to take their place. The rough handling of the *Lombard* by London citizens had some sanction for, according to Langland, the *Holy Ghost* teaches “...and fetchen hit fro false mon, with Folevyles lawes.”

Also *Direct Justice* is commended as the *Law of Lydford*...equivalent to our *Lynch Law*. The fourteenth century *Englishman* considered that his first duty was to defend his rights, granted by *Magna Carta*, and he did not scruple to make away with two inefficient and tyrannous kings (Edward II and Richard II). Edward I and Edward III had put their own people first and the people were ready to defend the realm from the *King* himself.

Chaucer, also writing before 1400, shows what the nation thought about money:

“Ther was in Asie, in a great citee, amonges cristen folk, a *Jewereye*,
Sustened by a lord of that contree for foule usure and lucre of vilanye,
Hateful to Crist and to his companye.”

This is a contrast to the modern attitude that it makes no difference what a man believes.⁷

Wages had to be kept reasonable by statute, owing to the shortage of labour due to the *Black Death* and other plagues. But the scourge of rising prices was also avoided. Ale cost 1d. to 4d. a gallon, best goose was 6d., a sucking pig 8d. - over a hundred times cheaper than at the present day. Bridge building and road mending were works of charity - comparable with voluntary work in the church or churchyard today. And language was direct. Such words as ‘*swink*’ and ‘*dolven*’ are hefty and accurate.

⁶ Dated 1363.

⁷ Such verse would not be used for a contemporary introduction to the *Legend of the Little Saint Hugh*.

There is a distinct change of tempo with the turn of the century. *England* was still behind the *Continent* both in culture and finance. The mixture of ideas and race had not yet occurred which was to precipitate her *Adventurers* and *Industrialists* and *Financiers*. But even so, 'towne-men' are said to be growing in influence and to be sharper than those of the country.

In 1401 the *Diocesan* could order *Heretics* to be burned. They had been burned as long ago as the reign of Henry III - the pious king consigned by Dante to the valley of the negligent rulers - but only at the order of the *State*. On the *Continent*, Clement VI found the *Jewish Moneylenders* so useful that he forbade anyone interfering with the *Jews*. So 'the terrible power of the purse' began to sway rulers temporal and spiritual.

Jack Cade's rebellion⁸ was not due to usury alone. Yet in a popular ballad of the day when the Captain of Kent used an unorthodox method of settling grievances (reminiscent of the previous century when the two unworthy kings were summarily removed from office) we read:

"Usury and rapine stiffly do stand."

An *Action upon Usury*, addressed to the *Chancellor* in 1480, is found in the *Early Chancery Proceedings*. It is as follows:

"To the right reverend father in God, the Bishop of Lincoln and *Chancellor of England*.

"Right humbly beseecheth unto your lordship your *Orator*, William Elryngton of Durham, *Mercer*, that whereas he now four years past and more had for stock of one Richard Elryngton the sum of £30, wherefore your said *Orator* was by his obligation bounden unto the said Richard in £40 and odd silver; which sum of £30 your said *Orator* should have employed in merchandise, during the space of seven years yielding yearly unto the said Richard for the loan thereof £4 of lawful money of England, and at the 7 year's end to yield whole unto the said Richard the said sum of £30.

"Whereupon your said *Suppliant* occupied the said sum by the space of two years and paid yearly unto the said Richard £4; and after that your said *Orator*, remembering in his conscience that the bargain was not godly or profitable, intended and proffered the said Richard the said sum of £30 again, which to do he refused, but would that your said *Orator* should perform his bargain.

"Nevertheless, the said Richard was afterwards caused, and in manner compelled by spiritual men to take again the said £30, whereupon before sufficient record the said Richard promised that the said obligation of £40 and *Covenants* should be cancelled and delivered unto your said *Orator*, as reason is.

"Now it is so that the said Richard oweth and is indebted by his obligation in a great sum of money to one John Saumpill, which is now *Mayor of Newcastle*, wherefore now the said Richard late, by mean of the said *Mayor*, caused an action of debt upon the said obligation of £40 to be affirmed before the *Mayor* and *Sheriff* of the said town of Newcastle.

"And there by the space of almost twelve months he hath sued your said *Orator*, to his great cost, and this against all truth and conscience, by the mighty favour of the said *Mayor*, by cause he would rather attain unto his duty, purposeth now by subtle means to cast and condemn wrongfully your said *Orator* in the said sum of £40, to his great hurt and undoing, without your special lordship be unto him shewed in this behalf.

"Wherefore please it your said lordship to consider the premise, thereupon to grant a *certiorari*, direct unto the *Mayor* and *Sheriff* of the said town, to bring up before you the cause that it may be there examined and ruled as conscience requireth, for the love of God and in the way of charity."

Such a connection of business, conscience and of religion was not to last for long. But two more laws *Against Usurie* were passed in Henry VII's reign. The first was *Against Usurie and Unlawful Bargaynes* in 1487, which were specified as '*damnable bargaynes groundyt in usurie*'. This referred to the various evasions of usury law - some of which will be mentioned by Wilson a hundred years later - and to the growth of exchange business.⁹

Changes were fomenting in the fifteenth century, but it was in the next two centuries that the violent upheaval of religion and ethics threw out the usury laws. Before considering this revolution, we may turn to the steady work that *Church* and *State* did together to ensure that recourse to the *Usurer* be unnecessary.

⁸ This was in about 1450.

⁹ The second act in 1495 alleged that the previous act was obscure and was passed 'definitely condemning lending for gain'.

The results of the prohibition on wages and the cost of living must be considered, together with the tendencies towards an industrial type of society, which pulled against the order of *Small Farmers* who relied on nature and towards a *Town and Money Economy* in which ethics and religion are always pushed into the background ¹⁰.

◀ Chapter 3

▶ Usury and the Church of England ◀

Chapter 5 ▶

¹⁰ I wrote this of England not of Ontario, where the *Big House* has never played a part in village life. Henry James missed the squire and the parson in New Hampshire villages, as he tells in *The American Scene* (1907) and Wyndham Lewis has something to say about the modern village in *Rotting Hill*, (1951).